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GLOBAL FORUM ACTIVITIES

Report by the Director-General

Provides advance information on the new strategy being developed for activities under the UNIDO global forum function, including research, to be supplemented by a presentation or by additional information to be provided by the Office of Strategic Research and Economy established earlier this year.

Introduction

1. UNIDO's dual role of providing technical cooperation services and a global forum function has been emphasized for some years. Indeed, the global forum function has been presented as complementary to, and almost distinct from operational activities, yet in reality the dividing line between the two is not clear cut since the global forum function serves to guide technical cooperation response and vice versa. This elusiveness lies in the fact that "doing" and "thinking" feed into each other and are mutually reinforcing, as pointed out by the Director-General to the Board at its twenty-first session. UNIDO's "doing" must be enhanced by up-to-date "thinking", including critical reflection on the validity of its work, while the "thinking" must be relevant to what UNIDO is currently "doing" and must take into account what is experienced in the field. Although it is difficult to separate the two in practice, an operational definition of global forum activities is warranted:

> *Global forum activities are those which are initiated by UNIDO (or the United Nations system) to exchange and disseminate knowledge and information, as well as facilitate partnerships, producing an "output", without a pre-identified client, which increases understanding of sustainable industrial development and solutions.*

2. Global forum activities have informative, advocative and normative functions. They serve to enrich the understanding of UNIDO and others of the industrial development process; to build valuable partnerships with academia, the private sector and civil society and expand such networks, and permit UNIDO to participate in setting the development agenda. At the same time, such activities contribute to image-building and increasing the external visibility of the Organization.

I. TYPES OF GLOBAL FORUM ACTIVITIES

3. Global forum activities are all concerned with knowledge enhancement but they are numerous and heterogeneous in nature. They include:

Regional forums and conferences—These are high-level events, often with a wide audience, addressing pertinent issues of development and UNIDO's role therein.

Working groups—These meetings include expert group meetings or subsector panel discussions and similar

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activities. They tend to discuss topics of a more technical nature. However, meetings that provide "input" to an internal UNIDO working process are intermediate products and would not be considered global forum activities as such.

Active participation in United Nations activities—Participation in United Nations meetings, such as the recent "Copenhagen + 5" or "LDC-III" to be convened in 2001, is central to UNIDO's mandate. It reinforces UNIDO's role in the United Nations system and strengthens inter-agency cooperation.

Presentations at external meetings—UNIDO is invited to a large number of external events every year, many of them in the environmental sector. Presentations, side events or position papers that are prepared for such meetings contribute to the global forum function.

Publications—Publications reflect UNIDO's profile and are vital for the dissemination of information, permitting UNIDO to reach a very large audience. A flagship publication will be launched next autumn: *The World Industrial Development Report 2001*.

Statistics and data collection—UNIDO is the officially appointed United Nations depository of industrial statistics for developing countries and countries in transition. It ensures international comparability of industrial data and standards. Analytical information on industrial policy is being produced and an "industrial toolbox" is currently being prepared to collect such knowledge.

Conventions, norms and standards—Examples of such activities are those related to the Montreal Protocol, the United Nations Framework Convention on Climate Change, and support in the accreditation and articulation of ISO 9000 and ISO 14000 series. An agreement with the International Laboratory Accreditation Cooperation to promote mutual recognition is under way.

Partnerships and networks including research agreements—UNIDO is building a network with academic institutions which contributes to the research needs of the Organization. The Organization also acts as an "honest broker" in forging partnerships within the private sector. Other networks include the UNIDO Exchange, an electronic platform.

II. DEVELOPING A STRATEGY FOR GLOBAL FORUM ACTIVITIES

4. A main reason for developing a strategy for UNIDO global forum activities (GFAs) is to be able to focus the work UNIDO is doing in this area. Until now, a clear focus of the activities has been lacking. Given a concurrent lack of resources, this implies that clear messages, and therefore also the intended impact, have been scarce.

5. As explained above, GFAs are inseparably linked to technical cooperation activities, and the strategy developed will have to rely on the overall corporate strategy of UNIDO and, if required, will have to be changed accordingly.

6. A strategy focusing GFAs will have to relate to UNIDO's niche. In finding its niche, UNIDO should take into account its strengths and assess the Organization's capabilities and capacities. Such strengths should be measured against the needs of recipient countries in order to assess the demand for UNIDO's services and activities, while also bearing in mind the mandates of other United Nations organizations.

7. UNIDO is the only United Nations organization with a mandate to promote industrial development and cooperation and has accumulated technical expertise in this domain for over 30 years. Combating poverty through industrial development is central to UNIDO's work. In supplying public goods, UNIDO strives to enhance equity and reduce marginalization. UNIDO has a strong environmental profile, and supporting private sector development also forms an important part of the Organization's work. In addition, UNIDO has the status of a centre of excellence in the area of industrial statistics, providing data for industrial policy formulation and for monitoring industrial progress worldwide.

8. The integrated delivery of technical services is already an approach that UNIDO offers which should be strengthened. Likewise, UNIDO GFAs should also encourage an integrated approach. The three E's—competitive economy, sound environment and productive employment—are not isolated targets, but interrelated parts that require a combined approach to achieve sustainable industrial development. Industrial policies, upgraded competitiveness, increased productivity, environmentally friendly solutions, alleviation of poverty and problems of distribution must be tackled in a holistic way if equitable and sustainable industrial development is to be achieved.

9. Globalization is posing new problems for developing countries, especially least developed countries (LDCs), which are facing tremendous difficulties in gaining access to global markets (never mind competing in them), rather than benefiting from globalization. UNIDO has an obligation to help these countries and hence the strengths of the Organization must relate to the countries' needs to overcome such problems.

10. Emphasizing the strengths of UNIDO and the needs of recipient countries combined with better integration to address all aspects of sustainable

industrial development indicate the direction a strategy should take; namely, greater focusing of activities.

III. FOCUSING GLOBAL FORUM ACTIVITIES IN 2000-2001—AN UMBRELLA THEME

11. A first step in developing a strategy for overall GFAs of UNIDO has been to define an umbrella theme for the period 2000-2001. In a very concrete manner the umbrella theme will enable UNIDO to focus its activities and to deliver clear messages. It will also have the result of economizing on scarce resources and will generally add to the visibility of the Organization.

12. UNIDO priority areas are tied to poverty alleviation, solving the problems of LDCs, connecting the poorest to the process of globalization and the means of achieving these objectives by way of sustainable industrial development. Therefore, it has been decided that, for the period leading up to the ninth session of the General Conference in December 2001, UNIDO GFAs will as far as possible be coordinated under a common umbrella: "Marginalization vs. Prosperity: The Challenge Ahead".

13. The theme will be clearly recognizable in UNIDO-arranged global and regional forums and conferences, as well as in the planned flagship publication *World Industrial Development Report*. It will also penetrate UNIDO presentations and speeches delivered at major events to which UNIDO is invited, but it will of course not influence permanent services such as statistics. Importantly, it will link up with the overall United Nations approach since this theme is already at the heart of the Secretary-General's initiatives as seen at the United Nations Millennium Assembly, including the Millennium Report.

14. By focusing on "Marginalization vs. Prosperity: The Challenge Ahead", UNIDO will highlight its potential for being constructive in tackling one of the most serious and at the same time most controversial issues on the current international development agenda: marginalization stemming from the process of globalization. It will present UNIDO as an organization that recognizes that the market forces of globalization are leaving a considerable number of stagnating, low-income communities out of the process. But at the same time, it will also emphasize that UNIDO is an organization that is able to offer solutions for the needed dynamic change—productivity gains, upgraded competitiveness and increased incomes through the process of industrialization.

15. The umbrella theme will also be an obvious possibility to present UNIDO's potential for achieving sustainable industrial development by way of integrating environmental measures with the advice given for dynamic change, which could counteract marginalization.

16. Energy efficiency and food safety offer important contributions to increased productivity and the upgrading of competitiveness. Rural energy development is not only important for making ordinary life of rural families sustainable, it is also imperative if industrial development, and especially new information technologies, should be able to spread to rural areas. Cleaner production is an important way of removing excess inputs from the production process and utilizing non-product outputs, thereby improving productivity and competitiveness while promoting resource management. Montreal Protocol solutions might be a prerequisite for accessing foreign markets, and thus for competing in global markets.

17. Focusing UNIDO GFAs under the umbrella theme will demonstrate that UNIDO has both the dedication and the experience needed for bridging marginalized communities with the global market.

IV. RESEARCH PARTNERSHIPS

18. As part of its GFAs, UNIDO began a process of developing strategic research partnerships with universities and other centres of excellence in the research community in 1999. The idea is to create a network of partnerships and lasting contacts that will enable UNIDO to draw on the best and most imaginative minds of academia when designing its activities in support of sustainable industrial development.

19. While it is imperative that UNIDO preserve its own capacity for carrying out research and insist on being an independent source of high-quality expertise, resource limitations and the need to prioritize must be acknowledged. By forming strategic partnerships, the Organization will gain leverage and achieve excellence in more fields than would otherwise be possible.

20. A main reason for conducting research is to enhance existing knowledge—a role central to UNIDO's global forum function. By generating new information and contributing to the process of solving specific problems, research not only provides a public good but also fosters innovation.

21. While reflecting the overall research considerations of UNIDO, strategic research should be focused on topics of special importance to the development of the Organization's activities. It should be emphasized that a basic rationale for investing in strategic research is to strengthen UNIDO technical cooperation in the field. Bridging research institutions with people dealing directly with problems of technical cooperation is a means of sharing knowledge beneficial

to both parties—asking the right questions to the research world and then putting their answers to work in the field. Therefore, the strategic research agenda will focus on applied as opposed to basic research.

22. In 1999, UNIDO finalized memorandums of understanding, for an initial period of two years with the University of Oxford and with Moscow State University. This year an agreement with the Department and Laboratory of Theoretical and Applied Economics (DELTA) in Paris will be finalized and a number of other partnerships are under consideration.

23. A special aim of the research strategy will be the enhancement of North-South cooperation by involving developing countries in the university network order to achieve this, UNIDO will seek partnerships with suitable universities or research institutions in the South. This will result in the enhancement of knowledge, capacity-building and eventually ownership of development programmes, thereby contributing to countries' struggle against marginalization.

24. The strategy for research partnerships being developed will include an appropriate research agenda and the planning of publications.

V. ACTION REQUIRED OF THE BOARD

25. The Board may wish to take note of the information provided in the present document.